

cc: Thom  
Loretta  
Ashley ✓



## ABC Television Network

John L. Rouse  
Senior Vice President  
Affiliate Relations

June 27, 2008

Mr. Jim Prather  
General Manager  
KTNV  
3355 S. Valley View Blvd.  
Las Vegas, NV 89102-8216

Re: Children's Programming Amendment

Dear Jim:

During discussions late last year with representatives from the ABC Board of Governors regarding ABC's willingness to supply Children's programming for the 2008-2009 television season, ABC had proposed that the Network retain the remaining local inventory in the four-hour programming block. It had become apparent that the spot marketplace for Kids avails had been contracting for some time and the additional inventory could possibly help subsidize the costs involved in supplying EI programs that fulfill station programming obligations. It was also mentioned that many stations had discontinued the insertion of any local material into Children's programming due to potential errors which could cause license violations and/or fines. This topic is outlined in Ray Cole's Chairman's Report dated June 23, 2008. ABC is willing to provide affiliates with the following formatting assurances for the 2008-2009 season which should help streamline the reporting process:

1) All of the commercial inventory within the ABC Kid's programming block, both the three hours of educational-informational ("EI") programs and the one hour of non-EI programs, will be retained for sale by the Network. The affiliates will not have any commercial availabilities in the programs.

2) The three hours of designated EI programs, as delivered by the Network, will comply with FCC regulations regarding the content and labeling of EI programs. On a quarterly basis, the Network will deliver the number of hours of scheduled EI programs that will meet the minimum FCC requirements for "core" programs and will continue to issue quarterly 398 Forms for your convenience. EI programs will be contained in "clock-hour" blocks only with other EI programs; no EI program will be part of a "clock hour" with a non-EI program. The entire four hour block of ABC Kids' programming, as delivered by the Network, will comply with commercial limits for Children's programming. Each affiliate would be responsible for any promotion and advertising of the EI schedule that is needed to make it FCC compliant.

3) The indemnification provision in the affiliation agreements will apply to the EI programs and the non-EI children's programming supplied by the network, including the amount of commercial matter in the children's programming as delivered by the Network. ABC will have the option of assuming the complete defense of an affiliate that faces a regulatory inquiry or fines based on the content (including the amount of commercial matter) of the programs, in lieu of reimbursing the affiliate for its own reasonable attorney's fees and costs.